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May 11, 2005

Mary L. Cottrell, Secretary
Department of Telecommunication and Energy
One South Station, 2nd Floor
Boston, MA 02110

Re: D.T.E. 04-70 — Petition of Boston Edison Company and Commonwealth Electric Company d/b/a NSTAR Electric for Approvals Relating to the Issuance of Rate Reduction Bonds Pursuant to G.L. c. 164, § 1H

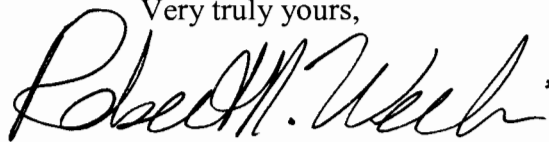
Dear Secretary Cottrell:

As provided for in Section 31 of the Financing Order issued by the Department of Telecommunications and Energy (the "Department") in the above-referenced proceeding, enclosed please find schedules relating to the use of Boston Edison Company's and Commonwealth Electric Company's allocable portions of the Rate Reduction Bond proceeds approved by the Department in this proceeding. Please note that this report represents actual cash expenditures through May 8, 2005, and will be updated in subsequent filings made in accordance with Section 31.

Also note that each schedule contains some proprietary and confidential information. That information has been redacted in the enclosed filing. The complete, unredacted pages are being provided to the Hearing Officer and the Attorney General only.

Thank you for your attention to this matter.

Very truly yours,



Robert N. Werlin

Enclosures

cc: Service List
Joan Foster Evans, Hearing Officer
David A. Fine, Esq.

**Boston Edison Company
Massachusetts RRB Special Purpose Trust 2005-1
Rate Reduction Certificates
Classes A-1, A-2, A-3, A-4**

Sources of Cash

| | |
|-----------|----------------------|
| Par Value | <u>\$265,500,000</u> |
|-----------|----------------------|

Uses of Cash

| | |
|-------------------|-----------------|
| Transaction Costs | REDACTED |
|-------------------|-----------------|

| | |
|------------------|-----------------|
| MassPower Buyout | REDACTED |
|------------------|-----------------|

| | |
|--|----------------------|
| | <u>\$265,500,000</u> |
|--|----------------------|

**Commonwealth Electric Company
Massachusetts RRB Special Purpose Trust 2005-1
Rate Reduction Certificates
Classes A-1, A-2, A-3, A-4**

Sources of Cash

| | |
|-----------|----------------------|
| Par Value | <u>\$409,000,000</u> |
|-----------|----------------------|

Uses of Cash

| | |
|--------------------------------|----------------------|
| Transaction Costs | REDACTED |
| MassPower Buyout | REDACTED |
| Dartmouth Buyout | REDACTED |
| Redemption of \$150M term loan | <u>\$133,350,085</u> |
| | <u>\$409,000,000</u> |